

June 5, 2006

Montana Medicaid Notice

Inpatient Hospitals

Hospitals Should Submit All Medicaid Inpatient Claims to Increase Medicaid Days to Qualify for DSH Payments

Hospitals should submit all Medicaid inpatient claims, even if the claim is expected to pay at zero. All Medicaid inpatient claims, including those that pay at zero, are used when calculating which hospitals are eligible for Medicaid and Medicare disproportionate share (DSH) payments. By submitting all Medicaid claims, all Medicaid paid as well as Medicaid eligible inpatient days will be reflected in the Medicaid Cost Settlement Summary Reports.

As part of the process for a hospital to qualify for Medicaid Routine and Supplemental Disproportionate Share Payments, the hospital's Medicaid inpatient days are compared to the hospital's total inpatient days to determine the Medicaid Inpatient Utilization Rate (MIUR). The calculation of MIUR includes Medicaid eligible days in addition to Medicaid paid days to determine if a hospital qualifies for DSH payments. Medicare also uses Medicaid eligible days in addition to Medicaid paid days to determine eligibility for Medicare DSH payments.

In the past some hospitals did not qualify for routine or supplemental DSH payments because they did not submit claims to Medicaid if they knew that the claims would pay at zero. The Department suggests that hospitals submit all claims to Medicaid in order to record these claims either as paid claims or zero paid claims on the Medicaid Cost Settlement Summary Reports. Medicare and Medicaid use the Medicaid inpatient days recorded on the Cost Settlement Summary Reports to determine eligibility for DSH payments.

This subject was presented in the April 2006 and June 2006 Montana Medicaid *Claim Jumper* and was presented by the Medicaid staff at the Hospital Financial Managers Association conference in April 2006.

Contact Information

For claims questions or additional information, contact Provider Relations:

Provider Relations toll-free in- and out-of-state: 1-800-624-3958

Helena: (406) 442-1837

Visit the Provider Information website:

<http://www.mtmedicaid.org>